# Campaign Finance FAQs

SDCL Chapter 12-27

Note: Local governments are not required to follow Campaign Finance laws except those listed under SDCL 12-27-39:

12-27-39. Application of campaign finance requirements. The provisions of this chapter apply to each Statewide office, legislative office, Statewide ballot question, county offices and ballot questions in counties with population greater than five thousand according to the most recent Federal census, ballot questions in first class municipalities, and school district offices and ballot questions in school districts with more than two thousand average daily membership. Any municipal or school district election covered by this chapter shall conform to the contribution limits applicable to legislative offices. This chapter does not apply to the unified judicial system, nor does this chapter apply to any township or special purpose district offices or ballot questions or elections for municipal offices. However, the governing body of any county, township, municipality, school district, or special purpose district not otherwise covered by this chapter may adopt an ordinance or resolution to make the provisions of this chapter, with or without amendments, applicable to township, school district, or special purpose district elections.

### What Needs To Be Reported?

- Aggregate contributions received from individuals of \$100.01 or more in a calendar year shall be itemized and include name, residence address and amount of contribution.
- Contributions received from individuals of \$100.00 or less must be reported but need not be itemized.
- All contributions of any amount from Federal, out-of-State or South Dakota political action committees (PAC's)
  must be itemized.
- All contributions of any amount from Political Party committees must be itemized.
- Expenditures may be categorized by expense type.
- All contributions from your committee to another candidate or committee must be itemized.
- Outstanding debts, obligations and unpaid bills at the end of the reporting period must be itemized.
- Organization costs for establishing and administering a political action committee.
- Loans and Loan repayments.

## What is an organization?

12-27-1 (16) "Organization," any business corporation, limited liability company, nonprofit corporation, limited liability partnership, limited partnership, partnership, cooperative, trust except a trust account representing or containing only a contributor's personal funds, business trust, association, club, labor union, collective bargaining organization, local, State, or national organization to which a labor organization pays membership or per capita fees, based upon its affiliation and membership, trade or professional association that receives its funds from membership dues or service fees, whether organized inside or outside the State, any entity organized in a corporate form under federal law or the laws of this State, or any group of persons acting in concert which is not defined as a political committee or political party in this chapter;

#### Any organization may:

- Make a maximum contribution of \$10,000 in a calendar year to a political action committee.
- Not make a contribution to a candidate campaign committee or political party.
- Create a political action committee or ballot question committee.
- Make unlimited contributions to ballot question committees. Before contributing **more than** \$10,000 in the aggregate in a calendar year, a sworn written statement has to be filed with the Ballot Question Committee (SDCL 12-27-19).

- Make an advocating communication which is an independent expenditure for/against a public office holder, ballot question, or political party. If the total cost for the communication is \$100 or more the organization must file an advocating communication Statement within 48 hours (SDCL 12-27-16).
- Make a non-advocating communication. If the communication is \$100 or more and the organization must file a communication Statement within 48 hours.

#### Any person may:

Make contributions to any candidate, political action committee, ballot question committee or political party.
 The following limits apply during any calendar year:

o County candidate \$1,000

o Legislative candidate: \$1,000

o Statewide candidate: \$4,000

- o Political Action Committee: \$10,000
- o Political Party \$10,000
- o Ballot Question Committee: No limit
- There is no limit to the amount any candidate or the candidate's immediate family may contribute to that candidate campaign committee.
- Make an independent expenditure for/against a candidate, public officer holder, ballot question, or political
  party. If the total cost for the independent expenditure is \$100 or more the person must file a disclosure
  Statement within 48 hours.

Note: If a person raises, collects or disburses contributions to influence the outcome of an election and is not simply making a contribution to a political committee or political party, that person is a considered a political action committee and is required to registered as such with the Secretary of State and must follow the campaign finance disclosure reporting requirements.

#### Any political action committee may:

- Make unlimited contributions to any candidate, political committee, or political party.
- Make independent expenditures and electioneering communications.
- Accept contributions from individuals, candidates, organizations, PACs, and political parties.

#### Any political party may:

- Make unlimited contributions to any candidate, political committee or political party.
- Make independent expenditures and electioneering communications.
- Accept contributions from individuals, candidates, PACs, and political parties.

#### Any candidate campaign committee may:

- Make unlimited contributions to any candidate, political committee or political party.
- Make independent expenditures and electioneering communications.
- Accept contributions from individuals, candidate, PACs, and political parties.

## Any ballot question committee may:

- Make independent expenditures and electioneering communications.
- Accept contributions from individuals, candidates, organizations, PACs, and political parties.
- Not make contributions to PACs, political parties, or candidates.

## All candidates, political committees and political parties must:

Display or clearly speak the statement: "Paid for by (Name of political action committee)"on any printed material or communication. This disclaimer is not required on buttons, balloons, pins, pens, matchbooks, clothing, or similar small items upon which the inclusion of the statement would be impracticable (SDCL 12-27-15).

### Types of Unlimited Contributions:

- Individuals can contribute to an unlimited number of political committees and political parties in amounts up to the contribution limit set in law for each committee or party.
- Political committees and political parties can contribute to an unlimited number of candidates or committees.
- There is no limit to the amount any candidate, political committee, or political party can contribute to any other candidate, political committee, or political party.
- There is no limit to the amount a candidate or the candidate's immediate family may contribute to that candidate's campaign committee.

#### When are Disclosure Statements Due? (SDCL 12-27-22)

The pre-election (Primary and/or General) statement must be received by the Secretary of State and filed by 5:00 p.m. on the second Friday prior to each primary and general election complete through the fifteenth day prior to that election.

A candidate for any statewide or legislative office whose name appears on the primary ballot but does not appear on the general election ballot shall file a campaign finance disclosure statement or termination report with the Secretary of State by 5:00 p.m. on the second Friday of August following that primary election. (Post-primary non-winner)

The year-end statement must be received by the Secretary of State and filed by 5:00 p.m. each February on the first Monday in February. This must include information from the end of the last filed report through the last day of the preceding calendar year.

A supplemental statement must be filed if any candidate campaign committee for Statewide office, political action committee, ballot question committee, or political party receives a contribution of five hundred dollars or more within fourteen days immediately prior to an election. The Statement shall be filed within forty-eight hours of the receipt of the contribution.

#### Can Public Funds be used to Influence an Election?

No. The State, an agency of the State, and the governing body of a county, municipality, or other political subdivision of the State may not expend or permit the expenditure of public funds for the purpose of influencing the nomination or election of any candidate, or for the petitioning of a ballot question on the ballot or the adoption or defeat of any ballot question. This section may not be construed to limit the freedom of speech of any officer or employee of the State or such political subdivisions in his or her personal capacity. This section does not prohibit the State, its agencies, or the governing body of any political subdivision of the State from presenting factual information solely for the purpose of educating the voters on a ballot question (SDCL 12-27-20).